

OLL 85-3745
10 December 1985

MEMORANDUM FOR THE RECORD

SUBJECT: HPSCI Briefing on Retirement Legislation

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1. On 14 November 1985, Bob Magee, Director of Personnel; [redacted] Deputy Director for Employee Benefits and Services, Office of Personnel; [redacted] OLL; and the undersigned met with HPSCI staffers Mike O'Neil, Steve Berry, Dave Addington, Duane Andrews and Marty Faga to discuss the upcoming House/Senate conference on retirement legislation. Mr. O'Neil stated that the HPSCI would participate in the conference and that they wanted the Agency's views on Roth/Stevens and Ford/Oaker proposals.

2. Mr. Magee began the meeting by summarizing the arguments why the Agency needs special consideration in any supplemental retirement plan for federal workers. He then provided the staff with the following four items that need to be addressed in any supplemental retirement plan: 1) Increase the accrual rate for those new employees who qualify under §203 of CIARDS from the 1% provided in the Senate bill to 1.3%; 2) Provide for a supplemental payment to federal workers between age 55 and 62 that would equal the social security payment; 3) Provide the Agency the authority administer its retirement system in-house; and 4) Examine the feasibility of expanding CIARDS to cover more Agency employees.

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3. With respect to the idea of expanding CIARDS to cover more Agency employees, the HPSCI was skeptical. Messrs. Andrews and O'Neil felt that CIARDS may already be overly inclusive in that it includes individuals who serve overseas in administrative functions. In the view of the HPSCI, [redacted] administrative employees, [redacted] are not subject to any more risk than non-Agency employees serving overseas. Mr. Magee rejected the view that CIARDS should be narrowed to exclude these type of employees. Mr. Magee stated that the history of CIARDS indicates that administrative as well as operational employees who serve overseas were meant to be covered. Mr. Andrews also stated that CIARDS should be expanded to cover non-Agency employees in the intelligence

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community who serve overseas in positions similar to Agency employees. Mr. Andrews specifically mentioned the NSA and stated that any future retirement legislation for the Agency would also have to address the needs of the intelligence community.

4. In response to a question from the HPSCI staff, Mr. Magee stated that the Ford/Oaker bill would be acceptable to the Agency provided that Agency employees who would qualify under §203 of the CIARDS are included in the special category of employees that are allowed to retire at age 50. Mr. Magee stated that there would be no need to change the accrual rate if our employees are included in the special category since Ford/Oaker set the rate at 1.7%. Mr. Magee also noted that our non-CIARDS type employees could retire at age 55 and receive a supplemental payment under Ford/Oaker that would make up for not receiving social security between age 55 and 62.

5. Mr. Andrews noted that if Roth/Stevens approach was adopted by the conferees, it would be extremely unlikely that the HPSCI would be able to obtain for our non-CIARDS employees a supplemental payment to cover the period between age 55 and 62. Mr. Andrews' suggested that the Agency may want to provide HPSCI with suggested ways to expand CIARDS as an alternative to obtaining relief for those new employees who would not qualify under §203 of the CIARDS. My impression is that HPSCI would be interested in both expanding CIARDS to cover certain DO employees who are undercover and frequently go overseas and contracting it so as to exclude administrative type employees now covered by CIARDS. Mr. Magee indicated some reluctance to redefine CIARDS in connection with the upcoming conference on the retirement legislation. He stated that we need time to consider all the implications of redefining CIARDS and that the conference schedule did not leave enough time to do this. Mr. O'Neil nevertheless urged Mr. Magee to consider redefining CIARDS. Mr. O'Neil emphasized that the Agency should not count on obtaining additional retirement benefits next year and that it maybe "now or never" in terms of obtaining special retirement benefits for the Agency. Mr. O'Neil specifically warned that it would be imprudent to rely on the assurances given by Senator Durenberger and the SSCI that the Agency's special retirement needs would be taken care of next year since there has been no commitment on the part of the HPSCI to do so. Mr. O'Neil also stated that it would be a good idea if the Agency were to provide the HPSCI with the Agency's draft amendments to both Ford/Oaker and Roth/Stevens. Mr. O'Neil indicated that it would be very useful to have these draft amendments during the upcoming conference. Mr. Magee indicated that the Agency would be willing to draft the necessary amendments and make them available to the HPSCI at the appropriate time. Mr. Magee stated that the HPSCI should

STAT contact [] if they had any further questions
regarding the Agency's position.

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